

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 18-19, 2023

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(2), Action Item

Prepared By: Matthew Brady  
District 01 – Director

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR AWARD OF A PREVIOUSLY  
VOTED PROJECT**  
**PPNO 4588/EA 0E110 – MENDOCINO COUNTY – STATE ROUTE 1**  
**RESOLUTION FA-23-26**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$2,022,000 in Construction Capital for the State Highway Operation and Protection Program (SHOPP) Bridge Rail Replacement and Upgrade project on State Route (SR) 1, in Mendocino County, to award the construction contract?

### **RECOMMENDATION:**

The Department recommends that the Commission approve the requested supplemental funds allocation for this SHOPP project.

### **PROJECT DESCRIPTION:**

This project is on SR 1, near Fort Bragg, at the Elk Creek Bridge (No. 10-0120), in Mendocino County. The project will replace the bridge to improve geometric and structural deficiencies.

### **FUNDING AND PROGRAMMING STATUS:**

In April 2016, the project was programmed for \$7,325,000 in Construction Capital in the SHOPP for allocation in Fiscal Year 2019-20. In June 2019, the project was amended to modify the scope from a bridge rail replacement to a complete bridge replacement, which increased the Construction Capital to \$8,325,000, and move out the allocation from 2019-20 to 2021-22. In June 2021, the project was further amended to modify the scope to add a clear

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serves all people and respects the environment."*

water diversion system, working area below the structure, in-stream habitat restoration, and bio-engineered bank stabilization, which increased the Construction Capital to \$10,350,000. In June 2022, the project received a 20-month allocation time extension for the Construction phase. In January 2023, the project was amended again to split the on-site and off-site mitigation, which decreased the Construction Capital to \$10,032,000. In March 2023, the project was allocated for \$10,904,000 in Construction Capital. Bids were opened in July 2023, and the amount required to award to the lowest bidder exceeded the amount available from project allocated and G-12 funds. Therefore, the Department is requesting supplemental funds in the amount of \$2,022,000 to award the construction contract.

**REASON FOR COST INCREASE:**

In May 2023, the Department advertised the contract and held bid opening in July 2023. The contract received four bids, of which the lowest bid was 8.6 percent above the Engineer's Estimate (EE), however the bidder was found to be non-responsive. The second lowest bid was 17.5 percent above the EE, however this bidder was also found to be non-responsive. The two remaining bids are 19.5 and 36.5 percent over the EE, respectively. The Department is pursuing awarding to the third lowest bidder.

The cost increases on this project are largely attributed to the remote location of the bridge, use of a temporary bridge and creek diversion, and extensive coordination needed with regulatory agencies due to the environmentally sensitive area. The unit prices in the EE accounted for the remote location, temporary bridge, and creek diversion. However, resulting bids were higher than anticipated as shown by the responsive bidder and escalated unit costs. The major unit price differences, between the EE and lowest responsible bid, are related to the following bid items:

- Structural Concrete Items - 105 percent higher (\$574,000)
- Temporary Bridge - 25 percent higher (\$200,000)
- Mobilization - 20 percent higher (\$197,000)
- Time Related Overhead - 45 percent higher (\$188,000)
- Bridge Removal - 110 percent higher (\$188,000)
- Imported Borrow - 140 percent higher (\$182,000)
- Clearing and Grubbing - 475 percent higher (\$143,000)

In aggregate, these items amount to an increase of \$1,672,000 over the EE. The remaining increase is due to minor unit price cost increases of other bid items.

The Department has determined that this request for supplemental funds is in the best interest of the State to be able to award this project to the lowest responsive bidder, avoid delays in implementing this important bridge rail replacement and upgrade project and at any extra costs to the Department if the project has to be repackaged and/or re-advertised. The Department has exercised all feasible measures to minimize costs in carrying out work related to this project and has determined that this request is well-supported and is the only viable alternative.

**CONSEQUENCES:**

If this allocation request for supplemental funds is not approved, the Department will not be able to address critical deficiencies associated with bridge rail replacement and upgrade, which will improve safety. In order to be able to address all of the critical deficiencies, the project will be delayed due to having to be reprogrammed in a future SHOPP cycle, at a possible higher project cost.

**FINANCIAL RESOLUTION:**

Resolved, that \$2,022,000 be allocated from the Budget Act of 2022, Budget Act Items 2660-302-0890 and 2660-302-3290 for Construction Capital, to provide funds to award the construction contract of this SHOPP project.

Attachment

## 2.5 Highway Financial Matters

Project #	Allocation Amount	Recipient	Project Title	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
<u>RTPA/CTC</u>		County	Location				
Dist-Co-Rte			Project Description				
Postmile			Project Support Expenditures				
2.5e.(2)		Supplemental Funds for Previously Voted Project				Resolution FA-23-26	
1			Near Fort Bragg, at Elk Creek Bridge No. 10-0120.	01-4588			
\$2,022,000			<u>Outcome/Output:</u> Replace bridge to improve geometric and structural deficiencies of the bridge.	SHOPP/2021-22			
				302-3290	\$1,251,000		\$1,251,000
				RMRA			
Department of			Supplemental funds are needed to Award.	302-0890	\$9,653,000		\$9,653,000
Transportation				FTF			
<u>MCOG</u>			CEQA - MND, 12/22/2021; Re-validation 1/25/2023	20.20.201.112			
Mendocino			NEPA - FONSI, 12/22/2021; Re-validation 1/25/2023				
01-Men-1			Future consideration of funding approved under	SHOPP/2022-23			
31.4			Resolution E-22-11; March 2022.	302-3290		\$232,000	\$232,000
				RMRA			
				302-0890		\$1,790,000	\$1,790,000
			Total revised amount \$12,926,000	FTF			
				20.20.201.112			
			EA 0E110/PPNO 01-4588 combined for construction	0113000125			
			with Broadband Middle Mile Network project	4			
			EA 01-0L852 under EA 0E11U/ Project ID	0E110			
			0123000069.				